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BEFORE THE ARIZONA CORPORATION COMMISSION
Arizona Corporation Commission

WILLIAM A. MUNDELL
CHAIRMAN
JIM IRVIN
COMMISSIONER
MARC SPITZER
COMMISSIONER

DOCKETED

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**AZ CORP COMMISSION
DOCUMENT CONTROL**

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IN THE MATTER OF US WEST
COMMUNICATIONS, INC.'S COMPLIANCE
WITH SECTION 271 OF THE
TELECOMMUNICATIONS ACT OF 1996.

DOCKET NO. T-00000A-97-0238

PROCEDURAL ORDER**BY THE COMMISSION:**

On October 4, 2002, Arizona Corporation Commission ("Commission") Staff ("Staff") filed a Supplemental Staff Report and Recommendation that summarized Staff's investigation into whether Qwest Corporation's ("Qwest") agreements with certain CLECs which precluded the CLECs' participation in the section 271 proceeding, tainted the record of the Section 271 proceeding. Staff's investigation led it to conclude that Qwest engaged in conduct to preclude at least two competitors from participating in the Section 271 proceeding. In its October 4, 2002 Staff Report, Staff recommended that the Commission open a sub-docket to the Section 271 investigation for the purpose of determining the appropriate remedies for Qwest's interference in the Section 271 process.

On November 7, 2002, the Hearing Division issued a Procedural Order that adopted Staff's recommendation to open a sub-docket and required Staff to file procedural recommendations for that sub-docket by December 2, 2002.

Staff's October 4, 2002 Staff Report already contains Staff's procedural recommendations for the sub-docket. Staff recommends that all of the letters, comments and data responses identified in the Staff Report automatically become part of the record. Staff further recommends that parties be given 10 days to submit additional evidence and to comment on the impact of certain parties' inability to participate. Staff recommends that Qwest should have 10 days to respond, whereupon Staff will make a recommendation as to the amount of additional fines it proposes. Staff does not believe that a hearing is necessary, but that Qwest, the entity that could be subject to fines, is entitled

1 by law to request a hearing on the penalties imposed.

2 In its October 15, 2002 Comments to the Staff Report, Qwest agreed with Staff that the
3 proposed 271 sub-docket, as described by Staff, and the 252 enforcement proceeding will permit the
4 Commission to adequately address any concerns about Qwest's past conduct. Qwest states that
5 "[u]nder Staff's proposed 271 sub-docket, all parties including Qwest – will have an adequate
6 opportunity to file comments on any factors they believe the Commission should consider in
7 assessing monetary and nonmonetary penalties against Qwest for entering into 'nonparticipation'
8 agreements."

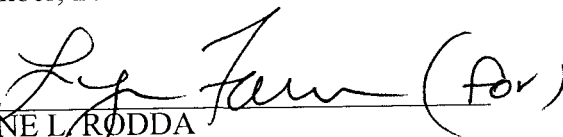
9 In its Comments, AT&T Communications of the Mountain States, Inc. and TCG Phoenix
10 (collectively, "AT&T"), states with respect to Staff's recommendations to open a sub-docket, that
11 "AT&T agrees with Staff's findings and does not object to Staff's recommendation." AT&T does
12 not specifically comment on Staff's procedural recommendations. Neither have the Residential
13 Utility Consumers Office ("RUCO") or WorldCom commented on the procedural recommendations.

14 Staff has indicated that it does not have any additional recommendations for the Section 271
15 sub-docket in addition to those contained in its October 4, 2002 Staff Report, and therefore, Staff has
16 already complied with the November 7, 2002 Procedural Order. Consequently, that portion of the
17 November 7, 2002 Procedural Order requesting the parties to file procedural recommendations for
18 the Section 271 sub-docket should be modified.

19 IT IS THEREFORE ORDERED that the parties shall file comments to Staff's proposed
20 procedures for the Section 271 sub-docket as set forth in the October 4, 2002 Staff Report, including
21 the need for a hearing in the sub-docket, no later than December 10, 2002.

22 IT IS FURTHER ORDERED that the Presiding Officer may rescind, alter, amend, or waive
23 any portion of this Procedural Order either by subsequent Procedural Order or by ruling at hearing.

24 DATED this 26th day of November, 2002.

25
26  (for)
27 JANE L. RODDA
28 ADMINISTRATIVE LAW JUDGE

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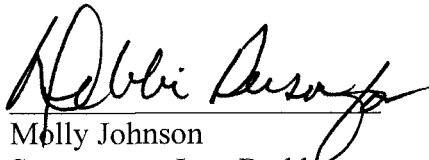
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